From: David P. Garrett

To: Bunker, Byron; John.Finneran@dot.gov

Cc: Wehrly, Linc; Wright, DavidA; Maurice, Hicks@dot.gov; Richard W. Amann; Doug DeVries; Randall J. Reich

Subject: follow-up from May 25, 2016 meeting on 2016 MY Fuel Economy Label Error

Date: Thursday, May 26, 2016 3:42:51 PM

Attachments: 2016 Lambda FE Label Error EPA-NHTSA review 2016-05-25.pdf

2016 Lambda FE Label Error EPA follow-up ADFE.pdf

Dear Mr. Bunker and Mr. Finneran,

We appreciate the opportunity to meet with you and members of your respective staffs yesterday to respond to EPA's request from May 13, 2016 to investigate reasons for differences in fuel consumption of 2009 Data Vehicle and 2016 Data Vehicle, and to NHTSA's questions received May 19, 2016 seeking information regarding discovery, root cause, applicability, and actions taken to resolve the Fuel Economy label error on our 2016 MY Chevrolet Traverse, Buick Enclave, and GMC Acadia vehicles. As we discussed at the outset of the meeting, our intent was to provide an integrated response to both EPA's and NHTSA's questions.

Our presentation provided a description of how this inadvertent error on this 2016 MY Fuel Economy label error occurred, how and when we learned of the error, and our timely actions to selfdisclose, investigate, and take actions to address the error. We also reviewed the official test results from all data vehicles tested in support of these models' annual emissions certification and fuel economy labeling for the entire lifecycle of this vehicle program, since it was launched during the 2007 MY through 2016 MY. This information shows that GM ran new data vehicle tests when required and followed EPA's guidance on the carry-over of data. In addition, we reviewed data from annual development testing which demonstrates fuel economy equivalence, providing support for carry-over of test results from the 2009 MY FE Data Vehicle to subsequent Model Years. To address EPA's specific request " ... to investigate the potential impact of the integrated work over the drive cycle (i.e., drive cycle metrics).", we reviewed the drive trace metrics from the original 2009 MY Fuel Economy Data Vehicle (FEDV) test as well as the 2016 MY Emission Data Vehicle (EDV) test. The 2009 MY FEDV test was executed according to EPA's drive trace validation criteria in effect at the time. The 2016 MY EDV test was conducted according to guidance EPA introduced during a May 2013 Industry workshop to reduce variation and improve rigor of Fuel Economy label values. A copy of the material we presented during the meeting yesterday is attached to this message. Please note that pages 24-25 are marked GM CONFIDENTIAL because they contain non-public information the disclosure of which could cause GM competitive harm. We request EPA and NHTSA provide confidential treatment of those pages pursuant to 40 CFR Part 2 and 49 CFR Part 512. As requested during our meeting, we have prepared Analytically-Derived Fuel Economy (ADFE) calculations of the 2009 MY FEDV and 2016 MY EDV test results to a common basis. The vehicle model used for comparison is a 2016 MY Chevrolet Traverse FWD vehicle, one of the vehicles impacted by this error. This ADFE comparison is summarized in a separate attachment to this email. Thank you again for the opportunity to review and discuss this information with you and members of your respective staffs.

Please contact me if you have any questions.

Best Regards,

Dave.

David P. Garrett
Director, Global Vehicle Emission Compliance
General Motors LLC



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## **FUEL ECONOMY LABEL ERROR**

2016 MY Chevrolet Traverse, Buick Enclave, GMC Acadia

EPA Office of Transportation and Air Quality, Compliance Division and

And

NHTSA Office of Vehicle Safety Compliance

National Vehicle and Fuel Emissions Laboratory Ann Arbor, MI May 25, 2016









GENERAL MOTORS

#### OUTLINE

EPA Request from May 13, 2016

Investigate reasons for differences in fuel consumption of 2009 Data Vehicle and 2016 Data Vehicle

NHTSA Questions received May 19, 2016
Seeking information regarding discovery, root cause, applicability, and actions taken to resolve the error

# **EPA REQUEST**

Investigate reason for differences in fuel consumption of 2009 Data Vehicle and 2016 Data Vehicle

- Year-by-year summary of Emission and FE Data Vehicles
- Drive Cycle Metrics
   Impact of integrated work over drive cycle
- Year-by-year comparison of City and Hwy "FE Equivalence"
- Year-by-year summary of Running Changes

## 2009 MY FEDV vs 2016 MY EDV

Official 2009 MY testing occurred in 2008 CY

- Emission Data Vehicle (EDV): Feb-March 2008
- Fuel Economy Data Vehicle (FEDV): June 2008

Official 2016 MY testing occurred in 2015 CY

- Emission Data Vehicle (EDV): Jan-Feb 2015
- No separate Fuel Economy Data Vehicle (FEDV)

# REQUIREMENTS FOR DATA VEHICLE SELECTIONS

40 CFR 86.1828
Emission Data Vehicle Selection (EDV)

EDV represents the heaviest test weight class, highest total roadload, and highest N/V ratio that is expected to be the worst case for emissions.

40 CFR 600.010
Fuel Economy Data Vehicle Selection (FEDV)

The highest projected MY sales subconfiguration within the highest projected MY sales configuration for each base level

# EMISSION DATA VEHICLES (EDV) AND FUEL ECONOMY DATA VEHICLES (FEDV) key program content changes 2007 - 2016 MY

#### 2007 New EDV, New FEDV

- All new vehicle program; PFI engine (LY7), all new 6spd FWD trans
- Saturn Outlook and GMC Acadia models only
  - Buick Enclave introduced in 2008 MY, but did not create new "worst case" for EDV
- Bin5/LEV2 2 close-coupled catalytic converters

### 2009 New EDV, New FEDV

- Bin5/ULEV2 2 close-coupled + 1 underfloor catalytic converters
- New E69 ECM
- New Direct Injection engine (LLT)
- Chevrolet Traverse model introduced;
- Add'I content on Buick Enclave AWD creates new "worst case" for EDV

#### 2012 New EDV, NO new FEDV

- Bin4 (ULEV2) new 2 close-coupled + 1 underfloor catalytic converters
- New E39 ECM

#### 2016 New EDV, NO new FEDV

■ 150k Bin5/ULEV 125 new 2 close-coupled + 1 underfloor catalytic converters

## EMISSION DATA VEHICLES (EDV) AND FUEL ECONOMY DATA VEHICLES (FEDV) 2007 - 2016 MY

**New DV test results**Carryover Data

Model Year 2007	Vehicle ID 3657ZN4008 3687UP8002 3687UP8002	DV Type EDV FEDV FEDV	TWC 5250 5250 5000	RLHP 19.0 18.4 16.8	N/V 26.2 26.2 26.2	City FE 18.6 19.3 20.1	Hwy FE 28.7 31.0 33.5	UAC	Model represented Saturn AWD GMC AWD GMC FWD
2008	3657ZN4008 3687UP8002 3687UP8002	EDV FEDV FEDV	5250 5250 5000	19.0 18.4 16.8	26.2 26.2 26.2	18.6 19.3 20.1	28.7 31 33.5		Saturn AWD GMC AWD GMC FWD
2009	3659ZN4008	EDV	5500	19.3	26.1	17.4	28.6	21.1	Buick AWD
	3689ZP8000	FEDV	5500	18.9	26.2	19.5	30.9	23.4	Buick AWD
2010	3659ZN4008	EDV	5500	19.3	26.1	17.4	28.6	21.1	Buick AWD
	3689ZP8000	FEDV	5500	18.9	26.2	19.5	30.9	23.4	Buick AWD
2011	3659ZN4008	EDV	5500	19.3	26.1	17.4	28.6	21.1	Buick AWD
	3689ZP8000	FEDV	5500	18.9	26.2	19.5	30.9	23.4	Buick AWD
2012	<b>3619ZP5022</b> 3659ZN4008 3689ZP8000	EDV EDV FEDV	<b>5500</b> 5500 5500	19.5 19.3 18.9	26.1 26.1 26.2	<b>17.1</b> 17.4 19.5	26.9 28.6 30.9	20.5 21.1 23.4	Buick AWD Buick AWD Buick AWD
2013	3619ZP5022 3659ZN4008 3689ZP8000	EDV EDV FEDV	5500 5500 5500	19.5 19.3 18.9	26.1 26.1 26.2	17.1 17.4 19.5	26.9 28.6 30.9	20.5 21.1 23.4	Buick AWD Buick AWD Buick AWD
2014	3619ZP5022	EDV	5500	19.5	26.1	17.1	26.9	20.5	Buick AWD
	3659ZN4008	EDV	5500	19.3	26.1	17.4	28.6	21.1	Buick AWD
	3689ZP8000	FEDV	5500	18.9	26.2	19.5	30.9	23.4	Buick AWD
2015	3619ZP5022	EDV	5500	19.5	26.1	17.1	26.9	20.5	Buick AWD
	3659ZN4008	EDV	5500	19.3	26.1	17.4	28.6	21.1	Buick AWD
	3689ZP8000	FEDV	5500	18.9	26.2	19.5	30.9	23.4	Buick AWD
2016	<b>361FVP6999</b> 3619ZP5022 3659ZN4008 3689ZP8000	EDV EDV EDV FEDV	5500 5500 5500 5500	18.4 19.5 19.3 18.9	26.0 26.1 26.1 26.2	17.6 17.1 17.4 19.5	29.2 26.9 28.6 30.9	21.4 20.5 21.1 23.4	Buick AWD Buick AWD Buick AWD Buick AWD

GENERAL MOTORS

# **EPA REQUEST**

Investigate reason for differences in fuel consumption of 2009 Data Vehicle and 2016 Data vehicle

- Drive Cycle Metrics
   Impact of integrated work over drive cycle

## MAY 2013 EPA/INDUSTRY LIGHT-DUTY VEHICLE COMPLIANCE MEETING

EPA presentation and discussion:

recognized Fuel Economy Concerns

 introduced Drive Trace Requirements to reduce variation and improve rigor of FE label values





#### **Fuel Economy Concerns**

- Fuel economy is a top concern for public, manufacturers, and EPA
- Manufacturers under pressure to provide high fuel economy performance
- Vehicle technology advancing at almost unparalleled rate
- Testing vehicles becoming more challenging
- Some regulations, procedures, policy and guidance are dated and need to be updated
- EPA is closely monitoring all of this and will address any areas that are deemed appropriate and/or necessary
- EPA would work closely with industry on any changes
- · A good example of this is drive trace requirements

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52



- · Lab to Lab correlation
  - FE retests more common
- GHG
  - Driving technique could significantly impact compliance
  - ILIVP
- Fuel economy label
  - Hypersensitivity to FE claims
    - Consumers
    - OEMs
    - Media
  - Along with General Label liberties, driver technique may be largest offset between lab and "real world" FE
- · New technologies are more variable with driver input

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54

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5

## MAY 2013 EPA/INDUSTRY LIGHT-DUTY VEHICLE COMPLIANCE MEETING

EPA presentation and discussion:

 Introduced Drive Trace Metrics developed through SAE Standards

 Announced Driver Trace reporting requirements beginning with 2015 MY Data Vehicles



#### **Drive Trace Metrics**

- Drive related variation can significantly affect fuel economy and green house gas emissions.
- Current drive trace tolerance of +/- 2mph per second provides for significant variation in drive trace
- Need to develop drive quality metrics in order to monitor drive related variability and its effect
- SAEJ2951 Drive Quality Evaluation for Chassis Testing
  - Opened in August, 2010
  - Phase 1 published in 2011
  - Phase 2 now open
    - · Regenerative Braking
    - Driver capability

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61



#### **Tier 3 Driver Trace**

Tier 3 NPRM includes driver trace reporting requirements

- SAEJ2951
- Metrics
  - Inertia Work Ratio Rating
  - Energy Economy Rating
  - Absolute Speed Change Rating
- Required for every driven trace, with test waiver request
- No suggested tolerance

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62

GENERAL MOTORS

# DRIVE CYCLE METRICS 2009 MY FEDV vs 2016 MY EDV

# Official 2009 MY testing occurred in 2008 CY

- Emission Data Vehicle (EDV): Feb-March 2008
- Fuel Economy Data Vehicle (FEDV): June 2008
- prior to SAE J2951 (GM has limited experience interpreting SAE J2951 metrics)
- Unable to retrieve 2009 MY speed traces from test site IT system (beyond record retention period)
- "Reference Copy" of the speed trace downloaded at time of testing. Processed offline using SAE J2951.

# Official 2016 MY testing occurred in 2015 CY

- Emission Data Vehicle (EDV): Jan-Feb 2015
- No separate Fuel Economy Data Vehicle (FEDV)
- Drive Cycle Metrics generated by test site IT system as part of official test data
  - submitted in EPA's Verify information system

# DRIVE CYCLE METRICS 2009MY FEDV vs 2016MY EDV

		City		Highway				
	EER	ASCR	IWR	EER	ASCR	IWR		
2009 FEDV	-3.576	-4.474	-6.802	-2.645	-19.865	-24.175		
2016 EDV	-0.823	-1.114	-1.475	-0.645	5.981	7.134		

## **Drive Cycle Metrics:**

**EER** - Energy Economy Rating

· Indicates energy consumption and distance travelled

ASCR - Absolute Speed Change Rating

· Indicates extent of velocity variation

IWR - Inertia Work Rating

Indicates inertia work

All ratings are % difference of drive from trace

# DRIVE CYCLE METRICS 2009MY FEDV vs 2016MY EDV

		City		Highway				
	EER	ASCR	IWR	EER	ASCR	IWR		
2009 FEDV	-3.576	-4.474	-6.802	-2.645	-19.865	-24.175		
2016 EDV	-0.823	-1.114	-1.475	-0.645	5.981	7.134		

Differences in FE test results between 2009 MY FEDV and 2016 MY EDV are consistent with implementation of EPA Guidance from 2013 Compliance Meeting, as indicated by Drive Cycle Metrics



#### Why Drive Trace Requirements?

- Lab to Lab correlation
  - FE retests more common
- GHG
  - Driving technique could significantly impact compliance
  - IUVP
- Fuel economy label
  - Hypersensitivity to FE claims
    - Consumers
    - OEMs
    - Media
  - Along with General Label liberties, driver technique may be largest offset between lab and "real world" FE
- · New technologies are more variable with driver input

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54

# **EPA REQUEST**

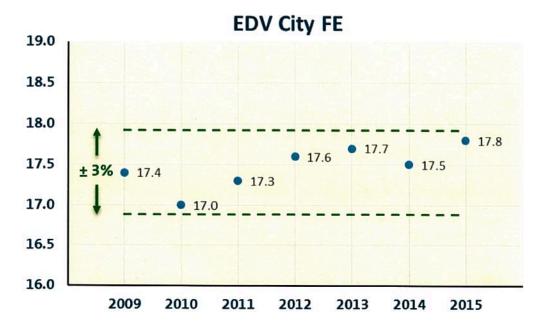
Investigate reason for differences in fuel consumption of 2009 Data Vehicle and 2016 Data vehicle

Year-by-year comparison of City and Hwy "FE Equivalence"

# FE EQUIVALENCE ASSESSMENT

Development data provided to support annual compliance statements

- Tests conducted each MY to confirm emission compliance
  - conducted at EDV test weight and RLHP
- Evaluation of FE results for those tests demonstrates FE Equivalence





GENERAL MOTORS

15

±3% ref. 600.008

# **EPA REQUEST**

Investigate reason for differences in fuel consumption of 2009 Data Vehicle and 2016 Data vehicle

- Year-by-year summary of Running Changes

# CARRYOVER OF PRIOR MY DATA AND RUNNING CHANGES

Prior MY data "carryover" and Running Changes implemented according to Advisory Circular A/C No. 17F dated Nov. 16, 1982, amended Jan. 21, 1988

- Carryover of prior MY DDV and EDV data documented by individual letter to EPA
- Each Running Change documented by individual letter to EPA, and referenced in Final MY Certification Documentation update

#### **Typical Running Changes:**

- ECM / TCM calibration revisions to address
  - Assembly plant issues
  - Diagnostics calibrations
  - Driveability issues
- Optional emission-related hardware (e.g. alternate supplier for O2 sensor)
- Optional tire
- Vehicle controls & displays (fan control; Oil Life Monitor)

Appendix includes references to all 2009-2015 MY Running Change Letters

# CARRYOVER OF PRIOR MY DATA AND RUNNING CHANGES

## Typical Carryover rationale:

has the same worst-case vehicle selection, identical catalytic converters, and no changes were made to the engine calibrations that would significantly affect emissions or catalytic converter temperatures

## Sample of typical Running Changes:

- delay closed loop operation during green engine starts for improved vehicle performance at the vehicle assembly plant
- · revise the engine fan control so that the fans turn off when the engine is keyed off.
- · Lower RPM threshold to disable generator to address headlamps dimming at idle during hill hold.
- · Revised cam shaft diagnostic calibrations for improved diagnostic performance.
- · Increase gear dependent roll idle with brake off to improve tip in response below 1500 RPM's.
- new diagnostic parameters for diagnostic codes P0128 (Engine Coolant Temperature Sensor) and P0420 (Catalyst System Performance) for improved diagnostic performance.
- Set abort calibrations for PD to PDS back to false for the 6-5 and 5-4 shifts to prevent 6-4 and 5-3 PDS shifts
- revise the predictive throttle to be less aggressive, also changes were made for improved shift quality through all gear ranges
- Added Optional Sensor Asm-Htd Oxy P/N's: parts are virtually identical and functionally equivalent to the original oxygen sensors with only minor revisions to the wiring connectors

# REASON FOR DIFFERENCES IN FUEL CONSUMPTION OF 2009 DATA VEHICLE AND 2016 DATA VEHICLE

EDV and FEDV tests for all Model Years were executed according to drive trace metrics and validation criteria in effect at the time testing was conducted

EPA May 2013 workshop recognized "Some regulations, procedures, policy and guidance are dated and need to be updated" ... especially those related to drive trace requirements

EPA introduced Driver Trace reporting requirements beginning with 2015 MY Data Vehicles

Drive Cycle metrics for 2009 FEDV and 2016 MY EDV indicate primary reason for difference in FE test results

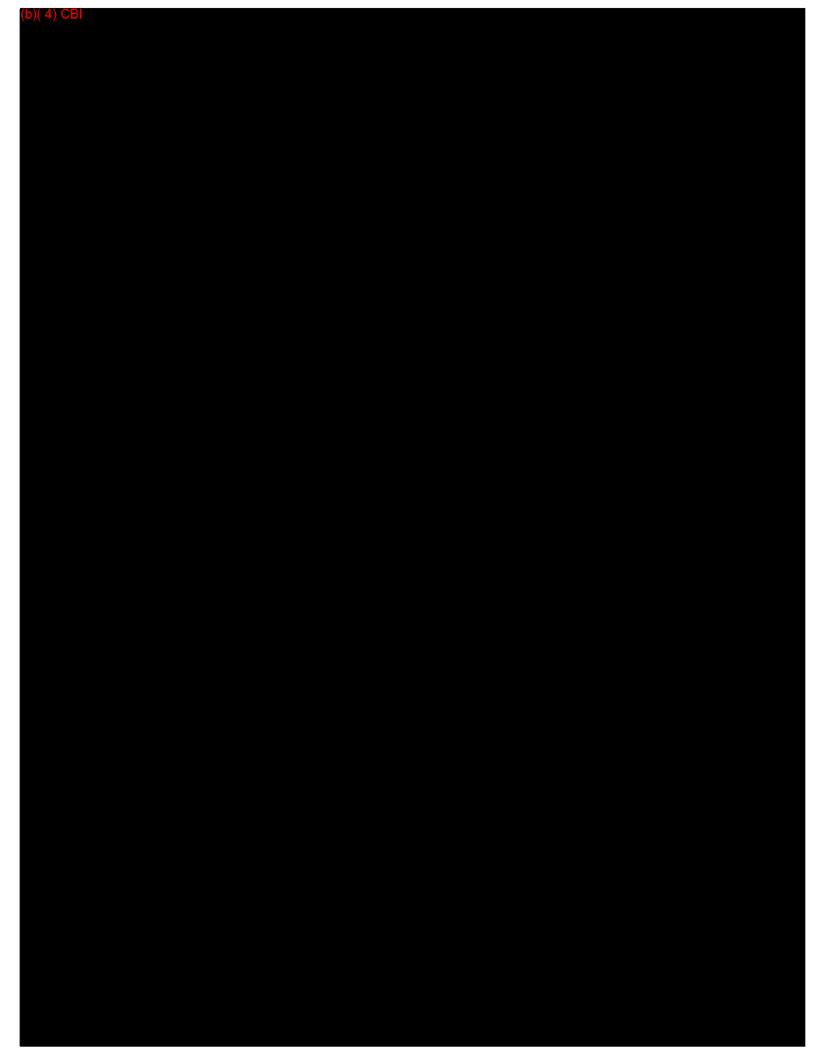
# RESPONSE TO NHTSA QUESTIONS RECEIVED MAY 19, 2016

Seeking information regarding discovery, root cause, applicability, and actions taken to resolve the error

- 1. When and how exactly did GM become aware that some of its MY 2016 fuel economy labels were providing inaccurate fuel economy values?
- 2. What is the cause of the discrepancy (i.e., reporting errors or testing)? Please explain in detail.
- 3. What model years and vehicle models do the discrepancies impact, more specifically do the discrepancies affect any model years other than 2016 for the aforementioned vehicles, or any other vehicle? Please provide all MYs and vehicle models impacted.
- 4. How did GM confirm that the discrepancies have no other impacts on other makes and models included in GM's CAFE fleets?
- 5. Does this discrepancy have any impact on the final CAFE performance results GM reported to EPA and NHTSA, that were used for determining compliance with NHTSA's CAFE program?
- 6. What actions has GM taken to resolve the identified issue?

- 1. When and how exactly did GM become aware that some of its MY 2016 fuel economy labels were providing inaccurate fuel economy values?
- New emissions-related hardware (catalytic converter loading) for these 2016 MY vehicles required new emission certification testing. The fuel economy data from these tests were not captured in calculations made for fuel economy labels for the 2016 MY vehicles, causing 2016 MY fuel economy values to be incorrect.
  - EDV tests conducted Jan-Feb 2015
  - official data and applications submitted to EPA April-May 2015
  - EPA Certificate of Conformity and FE values approved May 2015
- This error was discovered as GM engineers worked on 2017 MY FE labels, using carryover test results from 2016 MY.
   Preliminary 2017 MY FE label calculations yielded different values than those from 2016 MY.
  - Preliminary 2017 MY FE label calculations April 12, 2016
  - Preliminary determination of calculation error on 2016 MY April 14, 2016

- What is the cause of the discrepancy (i.e., reporting errors or testing)? Please explain in detail.
- Our investigation indicates the error was due to use of an optional sequence for processing official FE tests in our IT system. The sequencing of our testing and identification of data to be included in FE calculations resulted in these EDV test results being inadvertently omitted from the "data pool" for FE label calculation.
  - IT System screen examples on following pages
- IT system changes implemented on May 17, 2016 eliminated optional methods to identify test results to be included in data pools: "FE Official" flag can now be set through a single method only





- 3. What model years and vehicle models do the discrepancies impact, more specifically do the discrepancies affect any model years other than 2016 for the aforementioned vehicles, or any other vehicle? Please provide all MYs and vehicle models impacted
- We believe this error only impacts 2016 MY:
  - Chevrolet Traverse
  - Buick Enclave
  - GMC Acadia
- FE values for 2014 and 2015 MYs of these vehicles were calculated using the "standard" sequencing to identify vehicle tests to be included in the Data Pools
- FE values for 2013 and earlier MYs of these vehicles were calculated prior to the IT system change which enabled this error

- 4. How did GM confirm that the discrepancies have no other impacts on other makes and models included in GM's CAFE fleets?
- The capability to optionally select "FE Official" flag on the "Search Results" screen was not available prior to Sept. 2013. No 2013 MY or earlier vehicles could have been impacted by this error.
- GM has manually reviewed and confirmed that all "data pools" created for all 2016 MY vehicles included test results from all applicable EDVs and FEDVs

- 5. Does this discrepancy have any impact on the final CAFE performance results GM reported to EPA and NHTSA, that were used for determining compliance with NHTSA's CAFE program?
- This error does not have any impact on GM's final CAFE reports
- This error only impacts 2016 MY vehicles (Chevrolet Traverse, Buick Enclave, and GMC Acadia)
- GM became aware of this error after submitting the "2016 pre-MY" CAFE report to NHTSA
- Corrected values will be included in the "2016 mid-MY" and "2016 Final" CAFE reports which have not yet been prepared
  - "2016 mid-MY CAFE" report due to NHTSA in July 2016

- 6. What actions has GM taken to resolve the identified issue?
- GM began investigating immediately when preliminary 2017 MY FE label calculations were performed which yielded different values than those from 2016 MY.
- April 18, 2016 submission to GM's Safety and Field Investigation (SFI) process initiated formal internal investigation
- SFI decision on May 11, 2016 resulted in immediate "Stop Delivery" order to dealers for all unsold vehicles
- Replacement Monroney Labels for unsold and sold vehicles
  - Shipments to dealers began Fri. May 13; shipments completed Tues. May 17
  - Delivery to existing customers to begin early June
- Customer Compensation Program announced Fri. May 20

# NHTSA QUESTIONS (Response 6 cont.)

# **CUSTOMER COMPENSATION PROGRAM**

Preliminary Approval May 13; Final Approval May 16

Communication to GM Field Sales Organization May 20 1:00 pm EDT; Release to media May 20 1:30 pm EDT

Customer letters will be sent via FedEx starting May 25

#### Guidelines:

- Same parameters as 2016 MY FE Label fuel cost calculations
  - 15,000 miles per year
  - \$3.00 / gallon
- Difference between initial and corrected "fuel cost over 5 years"
- Purchase customers will be offered choice of pre-paid debit card OR 48-month/60,000-mile protection plan (extended warranty beyond base coverage)
- Lease customer: 5 year value pro-rated for Actual lease term
  - value for all leases calculated using 15k annual miles, regardless of term of lease
  - Round payment up to nearest \$25 increment, where applicable

# NHTSA QUESTIONS (Response 6 cont.)

#### **CUSTOMER COMPENSATION PROGRAM**

		24 Month	27 Month	36 Month	39 Month	42 Month	48 Month	60 Month
Sale Type	Drivetrain	Per Unit						
Purchase	FWD - All							\$750
Purchase	AWD -Trav/Acad							\$1,500
Purchase	AWD -Encl							\$750
Lease	FWD - All	\$300	\$350	\$450	\$500	\$525	\$600	
Lease	AWD -Trav/Acad	\$600	\$675	\$900	\$975	\$1,050	\$1,200	
Lease	AWD -Enclav	\$300	\$350	\$450	\$500	\$525	\$600	

NOTE: original Enclave AWD label values were voluntarily reduced by 1 mpg on highway and combined (16/22/18 instead of 16/23/19). (Enclave AWD approx. 250 lb. heavier than other models) Enclave AWD corrected label is same as other Traverse and Acadia AWD models

# APPENDI

GENERAL MOTORS

32

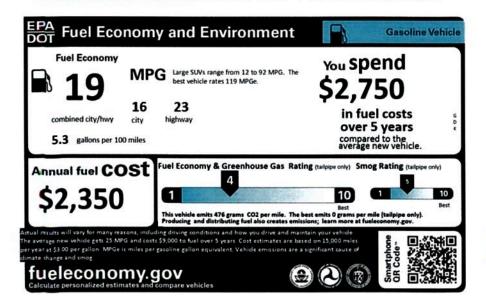
#### **FUEL ECONOMY LABEL ERROR**

2016 MY Chevrolet Traverse, Buick Enclave, GMC Acadia

#### Incorrect Label 2016 MY Traverse FWD



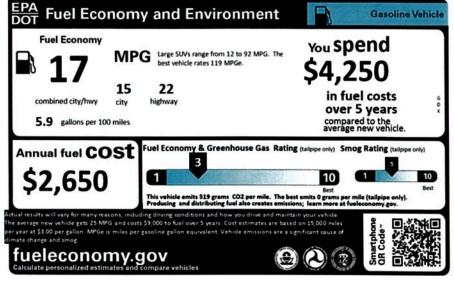
#### Incorrect Label 2016 MY Traverse AWD



#### Corrected Label 2016 MY Traverse FWD



#### Corrected Label 2016 MY Traverse AWD



From: Bunker, Byron [mailto:bunker.byron@epa.gov]

Sent: Friday, May 13, 2016 2:53 PM

**To:** David P. Garrett <david.p.garrett@gm.com>; Wehrly, Linc <wehrly.linc@epa.gov> **Cc:** Barbara Kiss <barbara.kiss@gm.com>; Wright, DavidA <Wright.DavidA@epa.gov>

Subject: RE: Stop Delivery Order - GM Reference # 43700

Dave,

Thank you for the update.

We would like General Motors to investigate and inform us of your findings regarding the reasons for the significant difference in fuel consumption for the 2009 EDV with these Original Test Vehicle Parameters:

ETW = 5500 RLHP = 18.9 N/V = 26.2

With the 2016 EDV results with these New Test Vehicle Parameters:

ETW = 5500 RLHP = 18.4 N/V = 26.0

Our intuition is that the 2016 vehicle should have lower fuel consumption than the 2009, but we understand your test results show the 2009 with approximately 10 percent lower fuel consumption. You should look into any effects that you believe relevant but at minimum, we would like GM at minimum to investigate the potential impact of the integrated work over the drive cycle (i.e., drive cycle metrics).

Please let me know if we need to make a more formal request for GM to respond.

Thanks, Byron

\*\*\*\*\*\*\*\*

Byron Bunker
Director Compliance Division
Office of Transportation and Air Quality
Environmental Protection Agency
2000 Traverwood Drive
Ann Arbor, MI 48105
Bunker.Byron@epa.gov
Phone: (734) 214-4155
Mobile: (734) 353-9623

\*\*\*\*\*\*\*\*\*\*

From: Finneran, John (NHTSA) [mailto:John.Finneran@dot.gov]

Sent: Thursday, May 19, 2016 3:17 PM

To: David P. Garrett < david.p.garrett@gm.com>

Cc: Barbara Kiss < barbara.kiss@gm.com >; Giuseppe, Jeffrey < Jeffrey.Giuseppe@dot.gov >; Hicks, Maurice (NHTSA)

< Maurice. Hicks@dot.gov >; Kolodziej, Kerry (NHTSA) < Kerry. Kolodziej@dot.gov >; Tamm, James (NHTSA) < james.tamm@dot.gov >; Deborah

A. Zielesch < deborah.a.zielesch@gm.com >; Wehrly, Linc (wehrly.linc@epa.gov) < wehrly.linc@epa.gov >

Subject: MY 2016 Fuel Economy Label Discrepancies

### David,

We recently became aware of the discrepancies with the fuel economy labels for the 2016 Chevy Traverse, GMC Arcadia, and Buick Enclave. We would like to find out more information on the issue. More specifically, we have the following questions:

- 1. When and how exactly did GM become aware that some of its MY 2016 fuel economy labels were providing inaccurate fuel economy values?
- 2. What is the cause of the discrepancy (i.e., reporting errors or testing)? Please explain in detail.
- 3. What model years and vehicle models do the discrepancies impact, more specifically do the discrepancies affect any model years other than 2016 for the aforementioned vehicles, or any other vehicle? Please provide all MYs and vehicle models impacted.
- 4. How did GM confirm that the discrepancies have no other impacts on other makes and models included in GM's CAFE fleets?
- 5. Does this discrepancy have any impact on the final CAFE performance results GM reported to EPA and NHTSA, that were used for determining compliance with NHTSA's CAFE program?
- 6. What actions has GM taken to resolve the identified issue?

As you are aware, the Energy Independence Security Act (EISA) provides authority to both NHTSA and EPA to regulate new fuel economy labels in 49 USC 32908(b) and 49 USC 32908(g)(1)(A). NHTSA codified the requirements for FE labels in 49 CFR 575.401. We are copying EPA's light-duty compliance group on this email and will ensure that the agencies collaborate on any follow-up actions. A response is due back to our office by May 27, 2016. If you have any concerns with any of the questions above, please contact Maurice Hicks of my staff at (202)366-1708. Finally, in the future, if GM identifies other CAFE or FE labeling violations, please be sure to contact both NHTSA and EPA as soon as the issue is identified.

Please confirm receipt of this email.

Regards,

John Finneran Chief, Crash Avoidance Division Office of Vehicle Safety Compliance National Highway Traffic Safety Administration

Running Change	<b>1</b>	For the Common of the	
Letter Number		Evaluation Method	Brief Description
2009 MY			
ML-9R106	Revised ECM/TCM, creating EC 33A.	Dev & Fuel economy testing	These new calibrations revise the shift pattern as well as the torque converter clutch apply and release points.
ML-9R110	Revised ECM, creating EC's 31A and 33B.	Good engineering judgment	This new calibration delays closed loop operation during green engine starts for improved vehicle performance at the vehicle assembly plant
ML-9R111	Revised ECM, creating EC's 31B and 33C.	Good engineering judgment	These new calibrations revise the engine fan control so that the fans turn off when the engine is keyed off.
ML-9R113	Revised ECM, creating EC's 31C and 33D.	Good engineering judgment	Leaner green engine start calibrations for improved vehicle performance during assembly plant dynamic vehicle testing.
			Lower RPM threshold to disable generator to address headlamps dimming at idle during hill hold.
			Revised cam shaft diagnostic calibrations for improved diagnostic performance.
			Increase gear dependent roll idle with brake off to improve tip in response below 1500 RPM's.
ML-9R134	Added Bridgestone P255/55R20 tire and RLHP to Buick Enclave and GMC Acadia models.	Good engineering judgment	This update did not create a new worst case vehicle configuration.
ML-9R136	Revised ECM, creating EC's 31D and 33E.	Dev testing	Leaner green engine start calibrations for improved vehicle performance during assembly plant dynamic vehicle testing.
			Lower RPM threshold to disable generator to address headlamps dimming at idle during hill hold.
			Revised cam shaft diagnostic calibrations for improved diagnostic performance.
			Increase gear dependent roll idle with brake off to improve tip in response below 1500 RPM's.
ML-9R141	Revised ECM, creating EC's 31E and 33F.	Good engineering judgment	These new calibrations include new diagnostic parameters for diagnostic codes P0128 (Engine Coolant Temperature Sensor) and P0420 (Catalyst System
			Performance) for improved diagnostic performance.
9P194	Update – Add Optional TCM Trans Cal P/N's ML-9R110	Good engineering judgment	These new calibration set set the abort calibrations for PD to PDS back to false for the 6-5 and 5-4 shifts to prevent 6-4 and 5-3 PDS shifts
9P216	Update – Add Optional TCM Trans Caln P/N's ML-9R134	Good engineering judgment	These new calibrations revise the predictive throttle to be less aggressive, also changes were made for improved shift quality through all gear ranges
9P227	Update – Added Optional Sensor Asm-Htd Oxy P/N's	Good engineering judgment	These new parts are virtually identical and functionally equivalent to the original oxygen sensors with only minor revisions to the wiring connectors

Running Change	<u> </u>		
Letter Number		Evaluation Method	Brief Description
2010 MY			
ML-AR063	Added new ECM, creating EC's 31A and 33A	Good engineering judgment	Disabled diagnostic P0690, Main Relay.  Diagnostic P0562 (System Low Voltage) was revised to be enabled with engine run only.  Cruise control disabled debounce time due to traction event set to 400 ms.  Cruise control revised to prevent transmission from defaulting to limp home mode
			during coast brake mode.
ML-AR065	Added new ECM, creating EC's 31B and 33B	Good engineering judgment	Set Hill Hold calibration to 600 rpm.  Revised the immobilizer calibration specifications to prevent a possible crank/no start situation.
ML-AR068	Added new ECM, creating EC's 60B and 61B, added new tire construction and	Development data	Changed cam shaft calibrations to align with new engine hardware.  Revised spark gradients at high loads for improved performance.  Improved torque control during manual gear shifts for improved feel.
	RLHP for a Michelin P255/60R19 equipped on models 4R14526 and 4VR14526		Refinements to oxygen sensor diagnostics for improved diagnostic performance. Disabled P0690 (Engine Controls Ignition Relay Feedback Circuit High Voltage). Refined cam/crank synchronization for improved starting consistency. Revised fuel level threshold for tank pressure sensor diagnostic for improved diagnostic performance.
ML-AR074	Added new TCM, creating EC's 32 and 34.	Development data	Revised the 2 -3 light throttle calibration for improved shift feel.  Increased the Torque Converter Clutch (TCC) coast ramp rate to allow for higher TCC pressure.  Revised shift pattern for improved vehicle driveability and customer satisfaction.
Update Letter Nu	mber		
AP129	Update – Added Optional TCM-Trans Caln & Diagn P/N's ML-AR065	Good engineering judgment	Revised calibrations for a speed sensor drop out issue in TUTD mode to prevent a first gear commanded at high speeds, and to ensure proper diagnostic performance Improved TCCC control in coast mode for 5th and 6th gears.
AP135	Update – Add Optional TCM Trans Caln P/N's ML-AR074	Good engineering judgment	Revised the 2 -3 light throttle calibration for improved shift feel.
			Increased the Torque Converter Clutch (TCC) coast ramp rate to allow for higher TCC pressure.  Revised calibration to correct speed error in cruise control for vehicles with 17" tires.
AP156	Update – Add Optional Parts	Good engineering judgment	Improved adaptation and shift stability.  Modified P0716 vehicle speed threshold and a timer for improved diagnostic performance.  Made P3 shift calibrations align more closely with P5 shift calibrations at altitude

## **Running Change**

Letter Number		<b>Evaluation Method</b>	Brief Description
2011 MY			
ML-BR028	Added new O2 sensor; added new ECM, creating EC's 31A, 32A, 33A and 34A.	Development data	This running change adds an optional oxygen sensor with added element coating which increases the water shock cracking temperature. Furthermore a new ECM calibration part number was added with revised upstream fuel biasing calibration changes driven by the new sensor
ML-BR034	creating engine codes 29A, 30A, 48A, 84A, 85B, 86B, 87A and 88A	Good engineering judgment	Revised camshaft one tooth off diagnostic to accommodate timing chain variation.
			Minimized manual transmission torque intervention for 0.5 seconds after gear shift for improved shift feel.
			Adjusted gear detection for the manual transmission with the 3.73 final drive ratio for improved vehicle performance
ML-BR065	Additional optional part numbers were added to engine codes 60B and 61B	Good engineering judgment	Changed interval when Oil Life Change message is displayed
ML-BR094	Added new optional ECM, updating EC's 29A, 30A, 31A, 32A, 33A, 34A, and 48A.	Good engineering judgment	Modified the misfire monitor to prevent false MIL's (Malfunction Indicator Light).
Updates Letter	Number		
BP112	Update – Add Optional Parts ML-BR034	Good engineering judgment	These new calibrations changed the cal out method for the N1, R1, NR, and DR oncoming pressure adapts to lower values to avoid the effect of EOL trying to update to a shift pressure value which rolls over the signed bit, causing a negative adapt
BP140	Update – Oil Life Monitor ML-BR065	Good engineering judgment	These new calibrations changed the oil life monitoring warning message to display after 5,000 miles.

## GENERAL MOTORS

Letter Numl	ber	<b>Evaluation Method</b>	Brief Description
2012 MY			
ML-CR011	Revised ECM/TCM, creating EC's 31A, 32A, 33A	Development data	Removed auto green assembly plant fuel pump prime feature.
			· Corrected axle torque arbitration issue with traction control causing TCM diff score cycling
			· Corrected software error, key-off event during cranking resets Engine Mode Not Run Timer
			<ul> <li>Corrected GMLAN Engine Specific humidity Mask and Validity signals in frame \$3FC.</li> <li>Modified Speed Control calibrations to correct Green Engine stalls with Power Steering cramps.</li> </ul>
			<ul> <li>Modified Speed Control calibrations to improve Cold Engine Idle Stability.</li> <li>Modified SP Chokes at Cold Temperatures (&lt; -16C) to improve Cold Engine Idle Stability.</li> </ul>
			· Modified Phase Idle Torque Limits to improve Idle Stability.
			· Modified CSEC DP-to-SP Spark calibration to improve Drive Quality.
			· Modified O-Ring protection exit ramp to improve Drive Quality.
			· Modified Torque Shaping calibrations to improve Drive Quality.
			· Modified Degrade O2 Sensor Closed Loop Fueling to improve ESPD robustness.
			· Incorporated Torque PDT BTM robustness changes
			· Incorporated Cruise Switch Diagnostic robustness change.
			· Incorporated Speed Control and Torque PDT best practice changes.
			<ul> <li>Incorporated HFV6 Truck SPDR, DTRR, DFCO, FCLP, OLM, Torque Safety Commonization changes.</li> </ul>
			· Modified CATD diagnostic calibrations to improve robustness.
			· Modified ECTD diagnostic calibrations to improve robustness.
			· Modified ESPD and POPD diagnostic calibrations to improve robustness.
			· Modified FASD and FAPD diagnostic calibrations to improve robustness.
			· Modified Misfire diagnostic calibrations to improve robustness.
			· Modified Brake Pedal Position Sensor diagnostic calibrations to improve robustness.
			Modified IAT2 Sensor diagnostic calibrations to improve robustness.
			· Modified Spark EST diagnostic calibrations to improve robustness.
			· Incorporated Diagnostic PDT change to support IAT2 PID.

· Incorporated ECTR, HSCR and THMR Master Calibration best practice changes

<b>Letter Number</b>		<b>Evaluation Method</b>	Brief Description
2012 MY cont.			
ML-CR012	Revised ECM/TCM, creating EC's 31B and 33B.	Development data	Corrected IAT2 PID68 for compliance on applications with humidity sensor.
			· Added Engine Oil Temp Display - use modeled oil temp for display when a sensor is not available
			· Modified Fuel Injector Flow Rate to improve LTM robustness.
			· Modified Starter Control calibrations to improve Bump Start robustness.
			· Modified DFCO calibrations to improve Drive Quality.
			Modified Torque Shaping calibrations to improve Drive Quality.
			· Modified Fuel Pump RVC Min Setpoint calibration to prevent potential Battery drain.
			· Moved some negative spark from Phaser Spark to Base Spark to limit Phaser Spark to -10deg.
			· Modified DP Min Spark to improve RPM Cold Start Flare robustness.
			· Modified Default Humidity calibration to improve Cold Start RPM Flare robustness.
			<ul> <li>Modified High Pressure Start Timeout calibration to improve DTC P00C6 robustness.</li> </ul>
			· Modified Diagnostic Fuel Level transfer function to improve diagnostic fuel level integrity.
			$\cdot \ Modified\ Diagnostic\ Fuel\ Level\ filter\ coefficient\ to\ improve\ diagnostic\ fuel\ level\ integrity.$
			Modified shift schedule for Buick/GMC FWD products for fuel efficiency improvement.
ML-CR020	Revised ECM/TCM, creating EC's 31C and 33C.	Development data	Modified Idle Torque Reserve to improve Idle stability.
			· Modified DFCO calibrations to improve drive quality.
ML-CR021	Revised ECM/TCM, creating EC's 31D and 33D.	Development data	Modified DFCO calibrations to improve drive quality
ML-CR044	Added new availability for Goodyear	Good engineering	This update will not create a new worst case vehicle configuration, so no new test data is
	P255/65R18 ALS tire for models 4V14526 and 4R14526	judgment	required.
Update Letter N			
CP108	Update – Add Optional Parts	Good engineering	General Motors submits the following optional part for engine codes 29, 30, 44, 48, 16A, 17A,
		judgment	19A, 31D, 33D, 11B:
			VALVE ASM-CONT SOL (W/ BODY & TCM) – P/N 24264114
			General Motors also submits the following optional part for engine code 22:
			VALVE ASM-CONT SOL (W/ BODY & TCM) – P/N 24264128
		R-VIEW NOTE OF THE PROPERTY OF	This new part number covers a TEHCM pressure switch module bracket change.
CP118	Update – Add Optional TCM Software P/N	Good engineering	On all T43 FWD and RWD 6-speed automatic transmission applications, added an optional
		judgment	TCM software part number (24264923). Minor changes were made to the software to improve diagnostic robustness.
CP132	Update – Add Optional Converter Asm-Ctltc P/N		General Motors submits the following optional part for engine codes 31D and 33D in test
	The second contraction of the second contrac		group CGMXT03.6151: CONVERTER ASM-CTLTC <split> - P/N 12636475. This previous part</split>
			was mis-stamped; this part is functionally equivalent

Running	Change
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<b>Letter Number</b>		<b>Evaluation Method</b>	Brief Description
2013 MY			
ML-DR021	Revised ECM/TCM, creating EC's 31A and 33A	Development data	ECM - Oil life monitor mileage limit changed from 9300 miles to 7500 miles.  TCM - Modified calibration to improve the vehicle's ability to adapt while coasting. The change improves slip control in the torque converter, which results in longer deceleration fuel cut off (DFCO) times.
Update Letter I	Number		
ML-DP116	Update - optional parts for engine codes 31A and 33A	Good engineering judgment	Increase the speed at which the mode 2 valve exhausts torque converter clutch feed pressure.
	DATA FILE-TCM TRANS CALN		Increase the cleaning cycle of the torque converter clutch variable feed solenoid to be more effective.
	DATA FILE-TCM TRANS DIAGN		Modify current rationality diagnostic codes P0965, P2728, P2719 so they won't falsely set at ambient temperatures near 0°C with the vehicle in neutral.
ML-DP137	DATA FILE-ECM VEH SYS CALN	Good engineering judgment	Update –clerical corrections for engine codes 31, 33, and all letter derivatives to remove extra part numbers

Runn	ing C	hange
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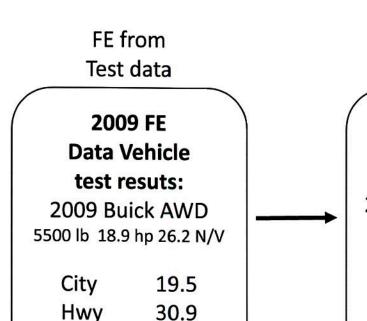
Letter Number	er	Evaluation Method	Brief Description
2014 MY			
ML-ER011	Added new TCM, creating EC's 35A and 36A.	Good engineering judgment	Enabled more deceleration fuel cutoff time for a positive fuel economy impact.
			· Increased the speed at which the mode 2 valve exhausts torque converter clutch feed
			pressure.
			<ul> <li>Increased the cleaning cycle of the torque converter clutch variable feed solenoid to be more effective.</li> </ul>
			<ul> <li>Modified current rationality diagnostic codes P0965, P2728 and P2719 so they won't falsely set at</li> </ul>
			ambient temperatures near 0°C with the vehicle in neutral.
		Good engineering	· Modified the Base Adapts for improved drivability.
			Improved the following algorithms to improve shift feel: Quick Shift at Sync, Return to Previous
			Range, Closed Throttle and Power on Downshift.
Update Lette	r Number		Range, closed fillottle and Power off Downshift.
OUR STREET, STATE OF STATE OF STATE OF STREET, STATE OF STATE			a a
EP110	Update - optional part for engine codes 35A and	Good engineering	Increases robustness of the fuel level sensor in the following situations: slow fuel slosh caused
	36A	judgment	by slow speed maneuvers such as driving in a parking lot, refueling vehicle from approximately
NAP.			7/8ths tank, reflashing ECM in the assembly plant
- 1.60	DATA FILE-ECM FUEL SYS CALN		STEP COST AND

Runr	ing	Cha	nge

<b>Letter Number</b>		<b>Evaluation Method</b>	Brief Description
2015 MY			
ML-FR013	Decreased TWC of 4V14526 Buick Enclave AWD from 5500 to 5250	Good engineering judgment	The dynamometer coefficients have also been changed accordingly.
ML-FR062	Revised TCM, creating EC's 35A and 36A.	Good engineering judgment	Lowered the 1-2, 2-3, and 3-4 upshift points at mid-pedal to address customer complaints of delayed shifts
			· Adjusted clutch actuator fill calibrations to improve 2-3 upshift feel
			· Adjusted clutch pressure calibrations to improve light pedal 3-2 downshift feel
			· Adjusted clutch pressure calibrations to improve 4-5 liftfoot upshift fee
Update Letter N	umber		
FP132	Added Optional Part for EC's 35 and 36	Good engineering	CANISTER ASM-EVAP EMIS
		judgment	The canister is functionally equivalent. It will not degrade evaporative emissions performance of the vehicle



GENERAL MOTORS



23.4

Com

Analytically Derived Fuel Economy

FE from Test data

## **ADFE**

2016 Chevrolet FWD 5000 lb 16.8 hp 26.0 N/V

City 20.6 Hwy 33.0 Com 24.8

NOTE: All values are "unadjusted" (not "label") FE values

## **ADFE**

2016 Chevrolet FWD 5000 lb 16.8 hp 26.0 N/V

City 18.5 Hwy 30.9 Com 22.6 2016 Emission
Data Vehicle
test resuts:

2016 Buick AWD 5500 lb 18.4 hp 26.0 N/V

> City 17.6 Hwy 29.2 Com 21.4

From:

David P. Garrett

To:

John.Finneran@dot.gov; Maurice.Hicks@dot.gov

Cc:

Wehrly, Linc; Bunker, Byron; Wright, DavidA; Peavyhouse, Robert; Good, David; Davis, Theresa

Subject:

RE: GM SUV FE Labels

Date:

Monday, May 23, 2016 2:01:16 PM

I have set up a WebEx meeting and teleconference to enable NHTSA participants to join the discussion scheduled by EPA on Wednesday May 25, 2016 at 1:00 pm EDT.

During this meeting, we will respond to:

- EPA's Request from May 13, 2016 to investigate reasons for differences in fuel consumption of 2009 Data Vehicle and 2016 Data vehicle;
- NHTSA Questions received May 19, 2016 seeking information regarding discovery, root cause, applicability, and actions taken to resolve the error

Please contact me if you have any questions regarding "logistics" for this meeting.

Best Regards,

Dave.

David P. Garrett
Director, Global Vehicle Emission Compliance
General Motors LLC



david.p.garrett@gm.com

### Join WebEx meeting

Meeting number: (b) (6)

Join by phone

Call-in toll-free number: (b) (6)

Call-in number: (b) (6)

Conference Code:(b) (6)

Can't join the meeting? Contact support.

----Original Appointment----

From: Wehrly, Linc [mailto:wehrly.linc@epa.gov]

**Sent:** Monday, May 23, 2016 8:45 AM

To: Wehrly, Linc; David P. Garrett; John.Finneran@dot.gov; Maurice.Hicks@dot.gov; Bunker, Byron;

Wright, DavidA; Peavyhouse, Robert; Good, David; Davis, Theresa

Subject: GM SUV FE Labels

When: Wednesday, May 25, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).

Where: AA-Room-Office-C35-ConfRoom/AA-OTAQ-OFFICE

GM will give EPA and NHTSA an overview of what happened with the incorrect FE labels for the Traverse/Acadia/Enclave SUVs and whether they have any impact on CAFÉ/GHG.

Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

From:

David P. Garrett

To:

Bunker, Byron

Cc:

Wehrly, Linc; John.Finneran@dot.gov; Hicks, Maurice (NHTSA); ahebert@arb.ca.gov

Subject:

RE: 2016 Fuel Economy Labels Compensation Program

Date:

Friday, May 20, 2016 4:58:48 PM

Attachments:

Lambda fuel economy labels Communications statement 2016-05-20.pdf

The attachment to the email | sent this morning regarding our Compensation Program included "Privileged & Confidential" in the header of the document.

I have attached a version to this message contains identical text to the earlier letter ... which is not marked as privileged or confidential.

This statement was the basis for widespread media reports this afternoon.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



david.p.garrett@gm.com

From: David P. Garrett

Sent: Friday, May 20, 2016 10:31 AM

To: Bunker, Byron (bunker.byron@epa.gov) <bunker.byron@epa.gov>

Cc: Linc Wehrly - US EPA - Ann Arbor (wehrly.linc@epa.gov) <wehrly.linc@epa.gov>;

'John.Finneran@dot.gov' <John.Finneran@dot.gov>; Hicks, Maurice (NHTSA)

<Maurice.Hicks@dot.gov>

Subject: 2016 Lambda Fuel Economy Labels Compensation Program

Importance: High

### Byron -

As we discussed by telephone, attached is a statement and Q&A regarding a Compensation program for customers with 2016 Chevrolet Traverse, GMC Acadia, and Buick Enclave vehicles. Communications to our Chevy, Buick, and GMC dealers is scheduled for 1:00 today, followed by announcement to media at 1:30.

Jim Cain (contact info below) is GM's lead spokesperson on this matter.

Best Regards,

Dave.

David P. Garrett
Global Vehicle Emission Compliance
General Motors LLC



From: James R Cain

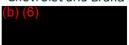
Sent: Friday, May 20, 2016 8:35 AM

Attached please find the final approved statement and Q&A for today's 1:30 pm Lambda compensation announcement to media. Field call is 1 p.m.

Please let me know if you have questions.

## Thanks, Jim

James Cain
General Motors Company
Senior Manager
Chevrolet and Brand Business Communications



From: David P. Garrett

Sent: Wednesday, May 18, 2016 12:46 PM

To: Bunker, Byron (bunker.byron@epa.gov) <bunker.byron@epa.gov>

Subject: updated Holding Statement

### Byron -

Attached is an updated Holding Statement with GM Communications will use with any media

The updates are to better respond to some of the recent media questions and speculation.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



### david.p.garrett@gm.com

Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

## 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

### FINAL 5-19-16

## **Key Messages**

- The customer is at the center of everything GM does
- GM made an inadvertent mistake and is taking positive steps to make things right

### Statement

"We want all of our customers to have a great ownership experience, so we designed this reimbursement program to provide full and fair compensation in a simple, flexible and timely manner."

### Q&A

## 1. Why is compensation necessary?

A. New emissions-related hardware in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave required new emissions testing. That data was not captured in calculations made for EPA fuel economy labels and caused fuel economy numbers to be overstated by 1-2 miles per gallon. We are reimbursing customers who may pay more for fuel than they expected after viewing the incorrect window label when they purchased or leased the vehicle.

## 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

### FINAL 5-19-16

## 2. What are the offers and how was the value determined?

A. Purchase customers will be offered a choice between a pre-paid debit card and a 48-month/60,000-mile protection plan. The protection plan option is designed for high-mileage customers and those who plan to keep their vehicle for an extended period of time. Lease customers will be offered a pre-paid debit card. The weighted average value of the pre-paid debit cards will be \$450-\$900, Individual compensation may be more or less.

The reimbursement is based on the same assumptions used in the EPA formula on the window label to calculate expected future fuel costs: a fuel price of \$3 per gallon and 15,000 miles of annual driving for five years.

## 3. Who is eligible?

A. Approximately 135,000 retail customers.

## 4. What about fleet customers?

A. Compensation discussions with fleet customers will be handled individually.

### 5. Are customers in Canada included?

A. Yes. There will be a similar program in Canada.

### 6. How much will the program cost GM?

A. We are not disclosing the cost of the program. It will not materially impact our financial results.

## 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

### FINAL 5-19-16

## 7. Is GM requiring customers to sign a legal release?

- A. Yes. We put the customer first so we are providing reimbursement that fully compensates them for the impact of the error, so we feel a release is appropriate.
- 8. When did GM decide to create a compensation program?
- A. Preliminary approval was on May 13. It was finally approved on May 16.
- 9. When will dealers receive replacement fuel economy labels, and when will the stop sale be lifted?
- A. New labels have already been printed and shipped for the majority of vehicles. Once replacement labels have been affixed to the affected vehicles, dealers can deliver them to customers. Labels should be in dealers' hands for all the vehicles this week.
- 10. Will this issue impact GM's May sales?
- A. We believe the impact, if any, will be minor.
- 11. When and how will customers be notified of the program
- Customer letters will be sent via FedEx starting May 25.
- 12.Is the compensation transferable?
- A. Yes.

# # #

From: David P. Garrett

To: Bunker, Byron

Cc: Wehrly, Linc; John, Finneran@dot.gov; Hicks, Maurice (NHTSA)

Subject: 2016 Lambda Fuel Economy Labels Compensation Program

Date: Friday, May 20, 2016 10:34:44 AM
Attachments: 43700 Label O A 2016-05-18.docx

Lambda fuel economy labels Communications statement 2016-05-20.docx

Importance: High

### Byron -

As we discussed by telephone, attached is a statement and Q&A regarding a Compensation program for customers with 2016 Chevrolet Traverse, GMC Acadia, and Buick Enclave vehicles. Communications to our Chevy, Buick, and GMC dealers is scheduled for 1:00 today, followed by announcement to media at 1:30.

Jim Cain (contact info below) is GM's lead spokesperson on this matter.

Best Regards,

Dave.

David P. Garrett
Global Vehicle Emission Compliance
General Motors LLC



From: James R Cain

Sent: Friday, May 20, 2016 8:35 AM

Attached please find the final approved statement and Q&A for today's 1:30 pm Lambda compensation announcement to media. Field call is 1 p.m.

Please let me know if you have questions.

Thanks, Jim

James Cain
General Motors Company
Senior Manager
Chevrolet and Brand Business Communications

b) (6)



From: David P. Garrett

Sent: Wednesday, May 18, 2016 12:46 PM

To: Bunker, Byron (bunker.byron@epa.gov) <bunker.byron@epa.gov>

Subject: updated Holding Statement

Byron -

Attached is an updated Holding Statement with GM Communications will use with any media inquiries

The updates are to better respond to some of the recent media questions and speculation.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

## Q&A For 43700 - Fuel Economy Label Error 2016 Model Year Buick Enclave, Chevrolet Traverse, and GMC Acadia

### MEDIA STATEMENT (Reactive only)

New emissions-related hardware in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave, required new emissions testing for these vehicles. The fuel economy data from these tests were not captured in calculations made for EPA fuel economy labels for the 2016 model year Traverse, Acadia and Enclave (causing 2016 model year fuel economy numbers to be overstated). This error does not impact prior model year vehicles. Including these new data yields fuel economy results of 15/22/18 – FWD and 15/22/17 – AWD. This error was discovered as GM engineers worked on the 2017 model year labels, and was quickly reported to EPA. We continue to work with the EPA on this issue.

## What about vehicles from prior model years? How can you be certain you didn't overstate those numbers?

As we said, the engineering change was for the 2016 model year Traverse, Acadia and Enclave, a population of approximately 240,000 vehicles. The new emission certification tests were required only for those vehicles.

#### Which vehicles are involved?

All 2016 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia vehicles.

#### Which label is involved?

The Monroney window label that includes the fuel economy label and pricing information for the vehicle.

### What is the condition?

An error was discovered on the fuel economy label on these vehicles. The error caused the EPA estimated fuel economy to be listed on the window label as 1-2 MPG higher than it should have been. Actual MPG will depend upon driving conditions and driver behavior. GM has informed the EPA about this condition.

### What are the corrected 2016 model year fuel economy values?

The EPA approved estimated fuel economy values are as follows: FWD: Combined City/Hwy 18 MPG, City 15 MPG, Highway 22 MPG AWD: Combined City/Hwy 17 MPG, City 15 MPG, Highway 22 MPG Detailed information will be provided on the corrected label.

### When will the corrected labels be provided?

- EPA's fueleconomy.gov website was updated with the corrected values on Friday, May 13 a.m.
- GM has printed replacement labels for all unsold vehicles located at dealers. Chevrolet dealers began receiving replacement labels on Saturday May 14; replacement labels for unsold vehicles have been shipped to all US dealers (Chevrolet, Buick, GMC) as of Tuesday May 17
- Replacement labels for vehicles already in customer use will be sent to the owners' address of record

### How did GM discover this condition?

The error was discovered as GM engineers worked on the 2017 model year label. They found that the 2016 model year label was calculated incorrectly.

### What about the sold vehicles with the error?

GM will contact owners of the affected models to address this situation.

## Does this affect the safety or drivability of the vehicle?

No. Customers can continue to operate their vehicle.

Is it possible that the Enclave, Traverse, Acadia, and also the discontinued Saturn Outlook may have been incorrect for years?

The 2016 MY mislabeling issue does not impact prior model years.

Has EPA asked GM to document the reasons for the difference between the 2009 and 2016 results including the test cycle statistics.

We will review our data with the EPA to address any questions they may have.

# 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

FINAL 5-19-16

## **Privileged & Confidential**

## **Key Messages**

- The customer is at the center of everything GM does
- GM made an inadvertent mistake and is taking positive steps to make things right

## Statement

"We want all of our customers to have a great ownership experience, so we designed this reimbursement program to provide full and fair compensation in a simple, flexible and timely manner."

## Q&A

## 1. Why is compensation necessary?

A. New emissions-related hardware in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave required new emissions testing. That data was not captured in calculations made for EPA fuel economy labels and caused fuel economy numbers to be overstated by 1-2 miles per gallon. We are reimbursing customers who may pay more for fuel than they expected after viewing the incorrect window label when they purchased or leased the vehicle.

# 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

## FINAL 5-19-16

## Privileged & Confidential

### 2. What are the offers and how was the value determined?

A. Purchase customers will be offered a choice between a pre-paid debit card and a 48-month/60,000-mile protection plan. The protection plan option is designed for high-mileage customers and those who plan to keep their vehicle for an extended period of time. Lease customers will be offered a pre-paid debit card. The weighted average value of the pre-paid debit cards will be \$450-\$900, Individual compensation may be more or less.

The reimbursement is based on the same assumptions used in the EPA formula on the window label to calculate expected future fuel costs: a fuel price of \$3 per gallon and 15,000 miles of annual driving for five years.

## 3. Who is eligible?

A. Approximately 135,000 retail customers.

## 4. What about fleet customers?

A. Compensation discussions with fleet customers will be handled individually.

### 5. Are customers in Canada included?

A. Yes. There will be a similar program in Canada.

## 6. How much will the program cost GM?

A. We are not disclosing the cost of the program. It will not materially impact our financial results.

# 2016 Lambda Fuel Economy Labels Compensation Program Statement and Q&A

FINAL 5-19-16

## **Privileged & Confidential**

## 7. Is GM requiring customers to sign a legal release?

- A. Yes. We put the customer first so we are providing reimbursement that fully compensates them for the impact of the error, so we feel a release is appropriate.
- 8. When did GM decide to create a compensation program?
- A. Preliminary approval was on May 13. It was finally approved on May 16.
- 9. When will dealers receive replacement fuel economy labels, and when will the stop sale be lifted?
- A. New labels have already been printed and shipped for the majority of vehicles. Once replacement labels have been affixed to the affected vehicles, dealers can deliver them to customers. Labels should be in dealers' hands for all the vehicles this week.

## 10. Will this issue impact GM's May sales?

- A. We believe the impact, if any, will be minor.
- 11. When and how will customers be notified of the program
- A. Customer letters will be sent via FedEx starting May 25.
- 12.ls the compensation transferable?
- A. Yes.

# # #

From: David P. Garrett
To: Bunker, Byron

Subject: updated Holding Statement

Date: Wednesday, May 18, 2016 12:46:25 PM
Attachments: 43700 Label O A 2016-05-18.docx

### Byron -

Attached is an updated Holding Statement with GM Communications will use with any media inquiries.

The updates are to better respond to some of the recent media questions and speculation.

Best Regards, Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

## Q&A For 43700 - Fuel Economy Label Error 2016 Model Year Buick Enclave, Chevrolet Traverse, and GMC Acadia

### MEDIA STATEMENT (Reactive only)

New emissions-related hardware in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave, required new emissions testing for these vehicles. The fuel economy data from these tests were not captured in calculations made for EPA fuel economy labels for the 2016 model year Traverse, Acadia and Enclave (causing 2016 model year fuel economy numbers to be overstated). This error does not impact prior model year vehicles. Including these new data yields fuel economy results of 15/22/18 – FWD and 15/22/17 – AWD. This error was discovered as GM engineers worked on the 2017 model year labels, and was quickly reported to EPA. We continue to work with the EPA on this issue.

## What about vehicles from prior model years? How can you be certain you didn't overstate those numbers?

As we said, the engineering change was for the 2016 model year Traverse, Acadia and Enclave, a population of approximately 240,000 vehicles. The new emission certification tests were required only for those vehicles.

#### Which vehicles are involved?

All 2016 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia vehicles.

#### Which label is involved?

The Monroney window label that includes the fuel economy label and pricing information for the vehicle.

### What is the condition?

An error was discovered on the fuel economy label on these vehicles. The error caused the EPA estimated fuel economy to be listed on the window label as 1-2 MPG higher than it should have been. Actual MPG will depend upon driving conditions and driver behavior. GM has informed the EPA about this condition.

## What are the corrected 2016 model year fuel economy values?

The EPA approved estimated fuel economy values are as follows: FWD: Combined City/Hwy 18 MPG, City 15 MPG, Highway 22 MPG AWD: Combined City/Hwy 17 MPG, City 15 MPG, Highway 22 MPG Detailed information will be provided on the corrected label.

### When will the corrected labels be provided?

- EPA's fueleconomy.gov website was updated with the corrected values on Friday, May 13 a.m.
- GM has printed replacement labels for all unsold vehicles located at dealers. Chevrolet dealers began receiving replacement labels on Saturday May 14; replacement labels for unsold vehicles have been shipped to all US dealers (Chevrolet, Buick, GMC) as of Tuesday May 17
- Replacement labels for vehicles already in customer use will be sent to the owners' address of record

### How did GM discover this condition?

The error was discovered as GM engineers worked on the 2017 model year label. They found that the 2016 model year label was calculated incorrectly.

### What about the sold vehicles with the error?

GM will contact owners of the affected models to address this situation.

## Does this affect the safety or drivability of the vehicle?

No. Customers can continue to operate their vehicle.

Is it possible that the Enclave, Traverse, Acadia, and also the discontinued Saturn Outlook may have been incorrect for years?

The 2016 MY mislabeling issue does not impact prior model years.

Has EPA asked GM to document the reasons for the difference between the 2009 and 2016 results including the test cycle statistics.

We will review our data with the EPA to address any questions they may have.

 From:
 David P. Garrett

 To:
 Bunker, Byron

 Subject:
 FW: Final Statement

Date: Tuesday, May 17, 2016 6:29:21 PM

#### Byron -

The message below includes the final "holding statement" and Q&A which GM will use to respond to media inquiries.

We do not, at this time, intend to make a proactive statement.

Chevrolet dealers began receiving replacement Monroney labels on Saturday May 14; other dealers have continued to receive labels since then.

Replacement labels should be received by all US Chevrolet, GMC, and Buick dealers by tomorrow morning, Wednesday May 18.

Best Regards, Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



From: Nick Richards

Sent: Tuesday, May 17, 2016 6:22 PM

To: David P. Garrett <david.p.garrett@gm.com>

Subject: RE: Final Statement

New emissions-related hardware in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave, required new emissions testing. That data was not captured in calculations made for EPA fuel economy labels and caused 2016 model year fuel economy numbers to be overstated by 1-2 miles per gallon for these vehicles. Including these new data yields fuel economy results of 15/22/18 – FWD and 15/22/17 – AWD. This error was discovered as GM engineers worked on the 2017 model year labels, and was quickly reported to EPA. We continue to work with the EPA on this issue.

- Q. Has EPA asked GM to document the reasons for the difference between the 2009 and 2016 results including the test cycle statistics.
- GM is working with the EPA on this issue.
- Q. Is it possible that the Enclave, Traverse, Acadia, and also the discontinued Saturn Outlook may have been incorrect for years?
- A. We are reviewing our data with the EPA to address any questions they may have.

Nick Richards
GM Product Development Communications Manager
(b) (6)

Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

From: To: David P. Garrett
Bunker, Byron
FW: Holding statement

Subject: Date:

Tuesday, May 17, 2016 3:41:27 PM

#### Byron -

Our intent is to use the following "holding statement" and Q&A to respond to media inquiries. We do not, at this time, intend to make a proactive statement.

Chevrolet dealers began receiving replacement Monroney labels on Saturday May 14; other dealers have continued to receive labels since then.

Replacement labels should received by all US Chevrolet, GMC, and Buick dealers by tomorrow morning, Wednesday May 18.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



----Original Message-----

**From:** Nick Richards [nick.richards@gm.com] **Received:** Tuesday, 17 May 2016, 3:31PM **To:** David P. Garrett [david.p.garrett@gm.com]

Subject: Holding statement

David

Below is the holding statement we will provide media to answer questions related to the fuel economy labels in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave.

### MEDIA STATEMENT

On May 11, 2016, General Motors issued a stop sale on 2016 model year Chevrolet Traverse, GMC Acadia and Buick Enclaves due to an error which affected the fuel economy information on the fuel economy label of these vehicles. The error caused the EPA estimated fuel economy to be listed on the window label as 1-2 MPG higher than it should have been. GM stopped sale of the affected models until a corrected label is printed and affixed.

A new catalytic converter was used in the 2016 Chevrolet Traverse, GMC Acadia and Buick Enclave,

requiring new emissions testing. That testing yielded new fuel economy estimates, based on today's application of more rigorous EPA metrics and test methodology. That data was not captured in calculations made for EPA fuel economy labels and caused 2016MY fuel economy numbers to be overstated by 1-2 miles per gallon for these vehicles. This error was discovered as GM engineers worked on the 2017 model year labels, and was quickly reported to EPA. We continue to work with the EPA on this issue.

Cheers,

Nick Richards
GM Product Development Communications Manager



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From:

David P. Garrett

Subject:

Bunker, Byron; Wehrly, Linc FW: Auto News Story

Date:

Friday, May 13, 2016 3:12:18 PM

This just came across ...

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



GM grounds large '16 crossovers with overstated EPA mileage labels – Automotive News Inadvertent 'data transmission' discovered by engineers

May 13, 2016 @ 2:15 pm

Mike Colias

http://www.autonews.com/article/20160513/RETAIL05/160519919/gm-grounds-large-16-crossovers-with-overstated-epa-mileage-labels

DETROIT -- General Motors instructed dealers to stop selling their entire inventory of about 60,000 Chevrolet Traverse, GMC Acadia and Buick Enclave large crossovers as the company scrambles to replace incorrect EPA labels that overstate the vehicles' fuel-economy ratings. GM notified dealers Wednesday that an "inadvertent error" listed the EPA fuel economy ratings "as 1-2 MPG higher than it should have been," according to a memo sent to all U.S. Chevy, Buick and GMC dealers and obtained by Automotive News.

"GM is stopping sale of the affected models until a corrected label is printed and affixed," the memo reads. A document sent to dealers lists 59,823 vehicles that cannot be delivered to customers until they get the correct label.

A separate memo sent to dealers Friday said replacement labels should "start arriving at dealerships" on Saturday and that all of them should arrive by Tuesday. Known as the Monroney sticker, the label shows the EPA's official fuel-economy ratings for the vehicle, along with pricing and other information.

GM spokesman Tom Wilkinson confirmed that GM has grounded all '16 Traverse, Acadia and Enclave models. He said GM is working with its supplier to print and overnight labels to dealerships. He didn't provide a timeline for when they are expected to be delivered. "We're working as quickly as possible to fix the problem and get the labels shipped," Wilkinson said. He said an inadvertent "data transmission" was responsible for the mistake. The correct EPA ratings for all-wheel-drive models of all three crossovers are 15 mpg in city driving and 22 mpg on the highway for a combined rating of 17 mpg. The incorrect label showed 17 city, 24 highway and 19 combined.

Wilkinson said GM notified the EPA as soon as it discovered the error and is in discussions with the agency on the handling of the matter. An EPA spokeswoman said she could not immediately comment.

Tens of thousands more of the crossovers were purchased by customers with the erroneous

labels since the '16 models went on sale last fall, Wilkinson confirmed. He said GM will notify customers of the error and send them corrected labels. The company is sorting through its plan to address any customer complaints that might arise.

It's unclear whether GM could face government fines or penalties because of the error. Through April this year, GM dealers sold 39,105 Traverses, 17,457 Enclaves and 25,575 Acadias, according to the Automotive News Data Center. The bulk of those likely were '16 models, but the total would also include '15s.

GM told dealers in the initial memo that the error was discovered by GM engineers as they worked on the Monroney label for the 2017 model year.

GM also is advising dealers to correct or remove any marketing materials, including showroom vehicle-information booklets, that show the incorrect fuel economy figures.

Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

From:

David P. Garrett

To:

Bunker, Byron; Wehrly, Linc

Cc:

Barbara Kiss; Wright, DavidA; William Beggs; Jonathon Packard

Subject:

RE: Stop Delivery Order - GM Reference # 43700

Date:

Friday, May 13, 2016 3:11:13 PM

No need for a more formal request. I'll ask Bill Beggs to assemble the information to review with your team ASAP.

David P. Garrett
Global Vehicle Emission Compliance
General Motors LLC



david.p.garrett@gm.com

From: Bunker, Byron [mailto:bunker.byron@epa.gov]

Sent: Friday, May 13, 2016 2:53 PM

**To:** David P. Garrett <david.p.garrett@gm.com>; Wehrly, Linc <wehrly.linc@epa.gov> **Cc:** Barbara Kiss <barbara.kiss@gm.com>; Wright, DavidA <Wright.DavidA@epa.gov>

Subject: RE: Stop Delivery Order - GM Reference # 43700

Dave,

Thank you for the update.

We would like General Motors to investigate and inform us of your findings regarding the reasons for the significant difference in fuel consumption for the 2009 EDV with these Original Test Vehicle Parameters:

ETW = 5500

RLHP = 18.9

N/V = 26.2

With the 2016 EDV results with these New Test Vehicle Parameters:

ETW = 5500

RLHP = 18.4

N/V = 26.0

Our intuition is that the 2016 vehicle should have lower fuel consumption than the 2009, but we understand your test results show the 2009 with approximately 10 percent lower fuel consumption. You should look into any effects that you believe relevant but at minimum, we would like GM at minimum to investigate the potential impact of the integrated work over the drive cycle (i.e., drive cycle metrics).

Please let me know if we need to make a more formal request for GM to respond.

Thanks,

Byron

\*\*\*\*\*\*\*\*\*

Byron Bunker
Director Compliance Division
Office of Transportation and Air Quality
Environmental Protection Agency
2000 Traverwood Drive
Ann Arbor, MI 48105
Bunker.Byron@epa.gov

Phone: (734) 214-4155 Mobile: (734) 353-9623

\*\*\*\*\*\*\*\*\*\*

From: David P. Garrett [mailto:david.p.garrett@gm.com]

Sent: Thursday, May 12, 2016 8:05 PM

To: Bunker, Byron < bunker.byron@epa.gov >; Wehrly, Linc < wehrly.linc@epa.gov >

Cc: Barbara Kiss < barbara.kiss@gm.com>

Subject: RE: Stop Delivery Order - GM Reference # 43700

Byron and Linc -

Just a couple of quick follow-up from our conversation this morning.

- 1. Tom Wilkinson from Communications confirmed that we are not planning any proactive media release on this issue. We will use the information in the stop delivery message and Q&A to respond to any media queries. While we will, of course, address any questions, we don't intend to initiate media coverage as we believe that would generate a lot of noise with no real benefit to customer communications. Should that change, we will make sure you have information to share with them so we can stay consistent.
  We will be communicating directly with each customer by mail, accompanied with a replacement label. We will keep you posted as those communications are finalized.
- 2. Printing of replacement vehicles begins in an overnight batch tonight. The first lot of ~70,000 labels will run throughout the weekend on an around-the-clock basis until completed. Current estimate is for completion on Monday May 16. Printing is scheduled in batches with all VINs for each dealer in a single batch, to be dispatched via FedEx Overnight delivery as each batch is completed. The batches completed on Friday May 13 should be delivered to their dealers on Saturday May 14. We anticipate replacement labels for all vehicles on Stop Delivery to be at the respective dealers no later than Wednesday May 18.

Once the labels have been printed for the unsold vehicles, we will begin immediately to print labels to be mailed to customers of vehicles already sold.

3. Efforts are underway in the marketing departments at Chevrolet, Buick, and GMC to purge all reference to the incorrect FE values ... from websites, brochures, product information books, point-of-sale advertisements, etc. Websites are being updated with correct values. Print materials will be made available as PDF files for dealers to use on demand.

Please let me know if you have any questions.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



From: David P. Garrett

Sent: Thursday, May 12, 2016 6:03 AM

To: 'Byron J. Bunker (bunker.byron@epa.gov)' <bunker.byron@epa.gov>

Subject: FW: Stop Delivery Order - GM Reference # 43700

Byron -

This message was sent to all Chevrolet, Buick, and GMC dealers yesterday. Approximately 70,000 vehicles are now on hold at dealers, pending delivery of a replacement Monroney Label.

My best opportunities to talk today are:

9:00 - 10:0011:00 - 1:00, or after 5:00

please let me know if any of these are convenient for you, and we can set aside some time to talk.

Best Regards, Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



david.p.garrett@gm.com

From: Dealer Message Alert

Sent: Wednesday, May 11, 2016 5:53 PM

Subject: Stop Delivery Order - GM Reference # 43700

The attached were sent to Buick, Chevrolet, and GMC dealers today.

### Do not reply to this message. This mailbox is not monitored.

Nothing in this message is intended to constitute an electronic signature unless a specific statement to the contrary is included in this message.

Confidentiality Note: This message is intended only for the person or entity to which it is addressed. It may contain confidential and/or privileged material. Any review, transmission, dissemination or other use, or taking of any action in reliance upon this message by persons or entities other than the intended recipient is prohibited and may be unlawful. If you received this message in error, please contact the sender and delete it from your computer.

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From:

David P. Garrett

To:

Bunker, Byron

Subject:

Automatic reply: Stop Delivery Order - GM Reference # 43700

Date:

Friday, May 13, 2016 2:53:12 PM

#### I am out of the office on vacation.

I plan to return to the office on Tuesday May 17.

My access to internet and/or mobile phone may be limited during most of this time. I will reply, as needed, as quickly as I am able to do so.

From:

David P. Garrett

To:

Bunker, Byron; Wehrly, Linc

Cc:

Barbara Kiss

Subject:

RE: Stop Delivery Order - GM Reference # 43700

Date:

Thursday, May 12, 2016 8:05:46 PM

#### Byron and Linc -

Just a couple of quick follow-up from our conversation this morning.

- 1. Tom Wilkinson from Communications confirmed that we are not planning any proactive media release on this issue. We will use the information in the stop delivery message and Q&A to respond to any media queries. While we will, of course, address any questions, we don't intend to initiate media coverage as we believe that would generate a lot of noise with no real benefit to customer communications. Should that change, we will make sure you have information to share with them so we can stay consistent. We will be communicating directly with each customer by mail, accompanied with a replacement label. We will keep you posted as those communications are finalized.
- 2. Printing of replacement vehicles begins in an overnight batch tonight. The first lot of ~70,000 labels will run throughout the weekend on an around-the-clock basis until completed. Current estimate is for completion on Monday May 16. Printing is scheduled in batches with all VINs for each dealer in a single batch, to be dispatched via FedEx Overnight delivery as each batch is completed. The batches completed on Friday May 13 should be delivered to their dealers on Saturday May 14. We anticipate replacement labels for all vehicles on Stop Delivery to be at the respective dealers no later than Wednesday May 18.
  - Once the labels have been printed for the unsold vehicles, we will begin immediately to print labels to be mailed to customers of vehicles already sold.
- 3. Efforts are underway in the marketing departments at Chevrolet, Buick, and GMC to purge all reference to the incorrect FE values ... from websites, brochures, product information books, point-of-sale advertisements, etc. Websites are being updated with correct values. Print materials will be made available as PDF files for dealers to use on demand.

Please let me know if you have any questions.

Best Regards, Dave.

David P. Garrett
Global Vehicle Emission Compliance
General Motors LLC



From: David P. Garrett

Sent: Thursday, May 12, 2016 6:03 AM

To: 'Byron J. Bunker (bunker.byron@epa.gov)' <bunker.byron@epa.gov>

Subject: FW: Stop Delivery Order - GM Reference # 43700

Byron -

This message was sent to all Chevrolet, Buick, and GMC dealers yesterday.

Approximately 70,000 vehicles are now on hold at dealers, pending delivery of a replacement Monroney Label.

My best opportunities to talk today are: 9:00-10:00, 11:00-1:00, or after 5:00

please let me know if any of these are convenient for you, and we can set aside some time to talk.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



From: Dealer Message Alert

Sent: Wednesday, May 11, 2016 5:53 PM

Subject: Stop Delivery Order - GM Reference # 43700

The attached were sent to Buick, Chevrolet, and GMC dealers today.

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From:

David P. Garrett

To:

Bunker, Byron

Subject: Date: RE: contact information Thursday, May 12, 2016 6:19:11 AM

Attachments:

43700 - Stop Delivery email\_sent 2016-05-11 1753.pdf

43700 - Stop Delivery message sent 5-11.pdf

43700 Label O and A.pdf

#### Byron -

My earlier attempts to forward the message sent to dealers yesterday afternoon were rejected as undeliverable, so I'll try again by replying to this message.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



#### Byron -

This message was sent to all Chevrolet, Buick, and GMC dealers yesterday. Approximately 70,000 vehicles are now on hold at dealers, pending delivery of a replacement Monroney Label.

My best opportunities to talk today are:

9:00 - 10:00,

11:00 - 1:00, or

after 5:00

please let me know if any of these are convenient for you, and we can set aside some time to talk.

Best Regards,

Dave.

David P. Garrett Global Vehicle Emission Compliance General Motors LLC



From: Bunker, Byron [mailto:bunker.byron@epa.gov]

**Sent:** Wednesday, May 11, 2016 8:20 PM **To:** Barbara Kiss <a href="mailto:barbara.kiss@gm.com">barbara.kiss@gm.com</a>

Cc: David P. Garrett <david.p.garrett@gm.com>

Subject: Re: contact information

Thanks Barbara.

I really appreciate the quick follow up.

Thanks,

Byron

Sent from my iPhone

On May 11, 2016, at 8:18 PM, Barbara Kiss <barbara.kiss@gm.com> wrote:

Byron,

Per our discussion and your request, Tom Wilkinson, our Senior Manager in Communications is our communications contact. Dave Garrett will also give you a call tomorrow as we continue to understand better. Tom's contact info is as follows

- (b) (6)
- (b) (6)

Barbara E. Kiss
Director Energy and Environment, Global Public Policy
barbara.kiss@gm.com

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dissemination or other use, or taking of any action in reliance upon this message by persons or entities other than the intended recipient is prohibited and may be unlawful. If you received this message in error, please contact the sender and delete it from your computer.

## **David P. Garrett**

From:

Dealer Message Alert

Sent:

Wednesday, May 11, 2016 5:53 PM

Subject:

Stop Delivery Order - GM Reference # 43700

Attachments:

43700 - Stop Delivery message\_sent 5-11.pdf; 43700 Label Q and A.pdf; 43700 US

Inventory VIN List.xlsx

The attached were sent to Buick, Chevrolet, and GMC dealers today.

Do not reply to this message. This mailbox is not monitored.



Stop Delivery Order - GM Reference # 43700

Updated Date: May 11, 2016 17:45 ET

GLOBAL SAFETY FIELD INVESTIGATIONS DCS4037 **URGENT - DISTRIBUTE IMMEDIATELY** 

Date:

May 11, 2016

Subject: Stop Delivery Order - GM Reference # 43700

Models: 2016 Buick Enclave 2016 Chevrolet Traverse 2016 GMC Acadia

To:

All Buick, Chevrolet, and GMC Dealers

#### STOP DELIVERY ORDER

Effective immediately, stop the delivery of all 2016 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia vehicles in new vehicle inventory. The GM reference number is 43700.

GM just discovered an inadvertent error which affected the fuel economy information on the fuel economy labels on the 2016 model year Acadia, Enclave and Traverse vehicles. The error caused the EPA estimated fuel economy to be listed on the window label as 1-2 MPG higher than it should have been. GM is stopping sale of the affected models until a corrected label is printed and affixed. GM will contact owners of the affected models to address this situation. This label error has no effect on the safety and operation of the vehicles.

Effective immediately, dealers must hold the involved vehicles until corrected Monroney (fuel economy) window labels are received and affixed to all 2016 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia vehicles.

Until further instructions are received, involved new vehicles that are in dealers' possession must be held and not delivered to customers or dealer-traded until a corrected window label is affixed to the vehicle.

A list of involved vehicles that have been identified as being in dealer new vehicle inventory is attached to this message. It is sorted by dealer Business Associate Code (BAC) for easy reference. Your dealership's BAC will not be listed if none of the involved vehicles are currently in your new vehicle inventory.

Additionally, a file is attached that contains some anticipated questions and answers.

We are working to obtain replacement labels and will send them to dealers as quickly as possible. When replacement labels are available, they will be released with further instructions.

**END OF MESSAGE** GLOBAL SAFETY FIELD INVESTIGATIONS

43700 Label Q and A.pdf 43700 US Inventory VIN List.xlsx

About this Alert

Reference Number:

Published to: Home Page

Version: 1.0

Alert Type: Stop Sale

Original Published Date: May 11, 2016 17:45 ET Expires: Jul 10, 2016 0:00 ET Contact : loren.rusk@gm.com

# Q&A For 43700 - Fuel Economy Label Error 2016 Model Year Buick Enclave, Chevrolet Traverse, and GMC Acadia

Q1: Which vehicles are involved?

A1: All 2016 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia vehicles.

Q2: Which label is involved?

A2: The Monroney window label that includes the fuel economy and pricing information for the vehicle.

Q3: What is the condition?

A3: An inadvertent error was discovered on the fuel economy label on these vehicles. The error caused the EPA estimated fuel economy to be listed on the window label as 1-2 MPG higher than it should have been. Actual MPG will depend upon driving conditions and driver behavior. GM has informed the EPA about this condition.

Q4: What are the corrected 2016 model year fuel economy values?

A4: The EPA approved estimated fuel economy values are as follows:

FWD: Combined City/Hwy 18 MPG, City 15 MPG, Highway 22 MPG

AWD: Combined City/Hwy 17 MPG, City 15 MPG, Highway 22 MPG

Detailed information will be provided on the corrected label.

Q5: When will the corrected labels be provided?

A5: GM is working closely with the label supplier to obtain the corrected labels as quickly as possible.

Q6: How did GM discover this condition?

A6: The inadvertent error was discovered as GM engineers worked on the 2017 model year label. They found that the 2016 model year label was calculated incorrectly.

Q7: Does this affect other models?

A7: GM has checked and found no other models or model years were affected.

Q8: What about the sold vehicles with the error?

A8: GM will contact owners of the affected models to address this situation.

Q9: Does this affect the safety or drivability of the vehicle?

A9: No. Customers can continue to operate their vehicle.